

HOUSE BILL 1078

By Sexton J

AN ACT to amend Tennessee Code Annotated, Title 4;
Title 5; Title 6; Title 7; Title 8 and Title 50, relative
to employment.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-2-103(a)(4), is amended by
deleting the subdivision and substituting the following:

(4) For the purposes of this subsection (a), the final wages of an employee who
quits or is discharged includes accrued, but unused, vacation pay or other compensatory
time. A provision in a company policy or labor agreement providing to the contrary is
void. This subdivision (a)(4) does not mandate employers to provide vacations, either
paid or unpaid, nor does it require that employers establish written vacation pay policies.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it,
and applies to employees who quit or are discharged on or after that date.